

# GEORGIA STABLE – FAQ

## BASICS

### **Q: What is a STABLE Account?**

A: A STABLE Account is an investment account available to eligible individuals with disabilities. STABLE Accounts are made possible by the federal Achieving a Better Life Experience (“ABLE”) Act. STABLE Accounts allow individuals with disabilities to save and invest money without losing eligibility for certain public benefits programs, like Medicaid or SSI. Earnings in your STABLE Account are not subject to federal or Georgia state income taxes, so long as you spend them on “Qualified Disability Expenses” (see below).

### **Q: Are STABLE Accounts like my bank checking or savings account?**

A: STABLE Accounts have some similar features, but they are not checking or savings accounts. STABLE Accounts are investment accounts. You will be investing your money in different options we provide. While you can still withdraw and spend your money as-needed, STABLE Accounts also allow you to grow your money and to save long-term for disability expenses.

## ELIGIBILITY

### **Q: Who is eligible to open a STABLE Account?**

A: The “Eligible Individual” is someone who developed their disability before the age of 26. The individual must have been living with their disability for at least one year, or they must expect their disability to last for at least a year.

In addition, the individual must meet at least one of the following criteria:

- Be entitled to Supplemental Security Income (SSI) because of their disability;
- Be entitled to Social Security Disability Insurance (SSDI) because of their disability;
- Have a condition listed on the Social Security Administration’s **List of Compassionate Allowances Conditions**; or
- Be able to "self-certify" their disability and diagnosis (see details below) when opening a STABLE Account.

"Self-certification" simply requires an individual to agree to the following statements during enrollment:

- The individual has a written, signed diagnosis from a licensed physician (*note*: individuals do not have to provide us with a copy of the diagnosis during enrollment, but a copy of the diagnosis must be available upon request); **and**

- The individual is either:
  - (1) blind, within the **meaning of the Social Security Act**, or
  - (2) has a medically determinable physical or mental impairment that results in "marked and severe functional limitations"

Examples of qualifying conditions that result in "marked and severe functional limitations" can be found in the Social Security Administration's disability Blue Book. See **Part A** for adults and **Part B** for children. A condition will also qualify if it is equal in severity to one of the conditions found in the Blue Book.

Both physical and mental disabilities (including certain mental illnesses) may qualify someone to open a STABLE Account. To see if you or someone you know is eligible, click here to take our **Eligibility Quiz**.

### **Q: How do I prove my eligibility?**

A: Our process is entirely online. You will be asked a series of questions when you open your account. If you are self-certifying your disability, you will need to provide your doctor's name and address and the date of your diagnosis. Although you will not need to produce a copy of your diagnosis in order to open an account, you must have a record of the diagnosis readily available.

### **Q: Do I have to be a Georgia resident to open a STABLE Account through Georgia STABLE?**

A: Yes. Georgia STABLE is only available to Georgia residents. Residents of other states may open a STABLE Account by visiting **[www.stableaccount.com](http://www.stableaccount.com)**.

### **Q: What kinds of disabilities qualify someone for a STABLE Account?**

A: Any condition that results in marked and severe functional limitations will qualify an individual to open a STABLE Account. A qualifying condition can be physical, developmental, mental, or other. For examples, see the Social Security Administration's **Blue Book** (Parts A and B), as well as the SSA's **List of Compassionate Allowances Conditions**. These lists are instructive, but not exhaustive. Your condition may qualify you even if it does not appear in these specific lists.

## **QUALIFIED EXPENSES**

### **Q: How can I use the money in my STABLE Account?**

A: Money in your account can be used to pay for Qualified Disability Expenses. An expense is "qualified" if:

- (1) You incurred the expense at a time when you were considered an Eligible Individual (see “Eligibility” above);
- (2) The expense relates to your disability; and
- (3) The expense helps you to maintain or improve your health, independence, or quality of life.

**Q: What are some examples of Qualified Disability Expenses?**

A: Qualified Disability Expenses do not have to be merely medical expenses. They can include rent and basic living expenditures. While the following list is not exhaustive, some examples of qualified expenses are:

**Education**

- Tuition for preschool through post-secondary education
- Books
- Supplies and educational materials

**Housing**

- Expenses for a primary residence
- Rent
- Purchase of a primary residence
- Mortgage payments
- Real property taxes
- Utility charges

*NOTE: SSI benefits can be affected if you use ABLE funds for any housing expenses. See the "Benefits" section of our website for more information.*

**Transportation**

- Expenses for transportation
- Use of mass transit
- Purchase or modification of vehicles
- Moving expenses

**Employment Support**

- Moving expenses
- Expenses related to obtaining and maintaining employment
- Job-related training

**Health Prevention and Wellness**

- Expenses for health and wellness
- Premiums for health insurance
- Mental health, medical, vision, and dental expenses
- Habilitation and rehabilitation services
- Durable medical equipment
- Therapy
- Respite care
- Long-term services and supports

- Nutritional management
- Communication services and devices
- Adaptive equipment
- Personal assistance

### **Assistive Technology and Personal Support**

- Expenses for assistive technology and personal support (*e.g.*, a smartphone for a child with autism)

### **Miscellaneous Expenses**

- Financial management and administrative services
- Legal fees
- Expenses for oversight
- Monitoring
- Home improvement, modifications, maintenance, and repairs
- Funeral and burial expenses.

### **Q: How do I prove that I am spending my money on Qualified Disability Expenses?**

A: It is up to you to track how you spend the money in your STABLE Account. We do not ask you how you plan to spend your money. However, the IRS has the right to ask you to verify your expenditures. For this reason, you should keep good records on how you are spending your STABLE funds.

### **Q: What if I use my STABLE funds for something that isn't a Qualified Disability Expense?**

A: You will have to pay regular income taxes, plus a 10% additional tax, on a portion of those funds. Additionally, the non-Qualified funds you withdraw could be counted against you for purposes of determining your eligibility for means-tested public benefits programs, like Medicaid or SSI.

### **Q: Can I use STABLE Account funds for housing and rent?**

A: Yes! But if you receive SSI benefits, be sure to immediately spend any money you withdraw for housing expenses, to avoid any negative impact to your SSI. As long as you spend the housing funds within the same calendar month that you withdraw the money, the housing payments will not affect your SSI benefits.

## **SETTING UP AN ACCOUNT**

### **Q: Who can set up a STABLE Account?**

A: An Eligible Individual, the parent or legal guardian of an Eligible Individual, or the holder of a power of attorney for an Eligible Individual can set up a STABLE Account.

**Q: Where do I go to open a STABLE Account?**

A: Account set up and enrollment is all online at **www.georgiastable.com**. No bank trips necessary.

**Q: What is the enrollment process like?**

A: Fast and easy! Everything is done through **www.georgiastable.com**. You will be asked to create your own username and password in order to use our online account portal.

You will put in your basic information, such as your name, address, birth date, etc. (If you are a parent or other representative opening an account for someone else, you will need to put in your information and the Eligible Individual's information.) You will also be asked a few questions regarding your disability, in order to confirm your eligibility to open an account. Once you have input your information, you will make your initial contribution and select your Investment Options.

**Q: How much does it cost to open an account?**

A: Online enrollment is free!

**Q: Is there a minimum amount I have to contribute in order to open an account?**

A: You will need to deposit a minimum of \$50.00 to open an account. Any subsequent deposits can be as little as \$1.00.

**Q: Who controls the funds in a STABLE Account?**

A: The Eligible Individual is considered the account owner. However, a parent, legal guardian, or designated financial power of attorney can act as an "Authorized Legal Representative" and administer the account. Be advised that if you decide to act as an Authorized Legal Representative, you will be formally assigned to the individual's account and will be the only person allowed to transact on the account.

**Q: Does it cost anything to have an account through Georgia STABLE?**

A: Georgians will pay \$3.50 per month (\$42 annually) to maintain their accounts. There is also a small asset-based fee of between 0.19% and 0.33%, depending on the investment options chosen.

**Q: Can I have more than one ABLE Account?**

A: No. Individuals can have only one ABLE account.

## TAX QUESTIONS

### **Q: Do I have to pay taxes on my account?**

A: Earnings on your STABLE Account grow free of federal and state of Georgia income tax. The earnings remain tax-free even when you withdraw them, so long as you spend the money on Qualified Disability Expenses.

### **Q: Are my Georgia STABLE contributions tax deductible?**

A: Georgia STABLE contributions are not tax deductible on your federal or state income tax filings, but a portion of the Beneficiary's own contributions may be eligible for the federal Saver's Credit.

## PICKING YOUR INVESTMENT OPTIONS

### **Q: What are "Investment Options" and why do I need to pick my Options?**

A: STABLE Accounts are not checking or savings accounts; they are investment accounts. When you contribute money to your STABLE Account, your money is invested in different portfolios that we provide. These portfolios are the STABLE "Investment Options." We offer five different Investment Options for you to choose from. You can put all of your money in one Option, or you can allocate your money across many different Options.

### **Q: What are the five Investment Options you offer?**

A: They are:

**Growth Option:** The Growth Option seeks to provide capital appreciation and some current income. This Option invests 100% of its funds in the **Vanguard LifeStrategy Growth Fund**.

The Growth Option endeavors to maintain an 80% investment in corporate stocks and a 20% investment in bonds. A stock represents ownership in a corporation. Stock ownership generally allows investors to grow their money in excess of inflation over a long-term period of time. Bond investors are entitled to receive interest payments over the life of the bond and receive the face value of the bond at maturity.

Stock investing is generally riskier than bond investing. The Growth Option has the largest investment in corporate stocks compared to the other Investment Options. The Growth Option potentially offers higher expected investment returns, but it also offers higher expected risk.

The Growth Option may be most suitable for investors with a long-term time horizon and for investors willing and able to accept more risk.

**Moderate Growth Option:** The Moderate Growth Option seeks to provide capital appreciation and a low-to-moderate level of current income. This Option invests 100% of its funds in the **Vanguard LifeStrategy Moderate Growth Fund**.

The Moderate Growth Option endeavors to maintain a 60% investment in corporate stocks and a 40% investment in bonds. A stock represents ownership in a corporation. Stock ownership generally allows investors to grow their money in excess of inflation over a long-term period of time. Bond investors are entitled to receive interest payments over the life of the bond and receive the face value of the bond at maturity.

Stock investing is generally riskier than bond investing. The Moderate Growth Option has the second largest investment in corporate stocks compared to the other Investment Options. The Moderate Growth Option potentially offers moderate expected investment returns, but it also offers moderate expected risk.

The Moderate Growth Option may be most suitable for investors with an intermediate-term time horizon and for investors willing and able to accept risk.

**Conservative Growth Option:** The Conservative Growth Option seeks to provide current income and low-to-moderate capital appreciation. This Option invests 100% of its funds in the **Vanguard LifeStrategy Conservative Growth Fund**.

The Conservative Growth Option endeavors to maintain a 40% investment in corporate stocks and a 60% investment in bonds. A stock represents ownership in a corporation. Stock ownership generally allows investors to grow their money in excess of inflation over a long-term period of time. Bond investors are entitled to receive interest payments over the life of the bond and receive the face value of the bond at maturity.

Stock investing is generally riskier than bond investing. The Conservative Growth Option has the second largest investment in bonds compared to the other Investment Options. The Conservative Growth Option typically offers lower expected investment returns, but it also offers lower expected risk.

The Conservative Growth Option may be most suitable for investors with a short-to-intermediate term time horizon and for investors willing and able to accept some risk.

**Income Option:** The Income Option seeks to provide current income and some capital appreciation. This Option invests 100% of its funds in the **Vanguard LifeStrategy Income Fund**.

The Income Option endeavors to maintain a 20% investment in corporate stocks and an 80% investment in bonds. A stock represents ownership in a corporation. Stock ownership generally allows investors to grow their money in excess of inflation over a

long-term period of time. Bond investors are entitled to receive interest payments over the life of the bond and receive the face value of the bond at maturity.

Stock investing is generally riskier than bond investing. The Income Option has the largest investment in bonds compared to the other options. The Income Option typically offers low expected investment returns, but it also offers low expected risk.

The Income Option may be most suitable for investors with a short-term time horizon or for investors unwilling or unable to accept risk.

**BankSafe Option:** The BankSafe Option offers a conservative investment strategy and is designed to protect your principal investment. This Option invests 100% of its funds into an FDIC-insured account.

The BankSafe Option is the most conservative investment strategy and is designed to protect your investment. The BankSafe Option is fully invested in an FDIC-insured account, meaning that your investment (along with other applicable accounts you have at Fifth Third Bank) is insured, up to \$250,000, by the Federal Deposit Insurance Corporation, which is essentially supported by the full faith and credit of the United States Government.

The BankSafe Option offers the lowest expected return and the lowest expected risk.

*(NOTE: The Investment Option descriptions contained on this website are provided for informational purposes only and do not constitute financial, investment, or other advice. Beneficiaries or their Authorized Legal Representatives are solely responsible for deciding which Investment Options to use.)*

### **Q: How have the Investment Options been performing?**

A: To view current investment performance, please click **here**.

### **Q: How do I choose my Investment Options?**

A: When you open a STABLE Account, you will be asked to pick your Investment Options. You will be shown all five options, and you will assign a percentage to each option. This percentage tells us how you want to allocate your contributions. For example, if you assign 100% to the Growth Option, then every time you make a contribution, we will invest 100% of your contribution into the Growth Option.

You can choose multiple Options or only one Option. Your total allocations must add up to 100%. Below are some examples of different selections you could make. *(Note: These are examples, not endorsements or recommendations.)*

#### Example 1:

Growth Option 0%

Moderate Growth Option 0%

Conservative Growth Option 0%

Income Option 0%  
BankSafe Option 100%

Example 2:

Growth Option 50%  
Moderate Growth Option 25%  
Conservative Growth Option 25%  
Income Option 0%  
BankSafe Option 0%

Example 3:

Growth Option 20%  
Moderate Growth Option 20%  
Conservative Growth Option 20%  
Income Option 20%  
BankSafe Option 20%

Once your percentages are set, any contributions you make will be invested according to those percentages. For example, if you chose the same percentages as Example 2 and then you contributed \$100 to your STABLE Account, \$50 would be put in the Growth Option, \$25 would be put in the Moderate Growth Option, and \$25 would be put in the Conservative Growth Option. If you chose the same percentages as Example 3 and you contributed \$500 to your STABLE Account, then \$100 would go to each of the five Options.

**Q: Can someone from Georgia STABLE help me pick which Investment Options to use?**

A: No, we cannot offer or provide financial, investment, or other advice. We have provided descriptions of all Investment Options on our website and in our Plan Disclosure Statement so that you can make an informed decision about which Option(s) are best for you.

**Q: Can I change my Investment Options after I enroll?**

A: Yes, federal rules allow you to transfer money from your current Investment Options to a different set of Options twice per calendar year.

You can also change your future allocations at any time. Changing future allocations does not change money that was already invested. For example, if you contributed \$1,000 to the Growth Option and you choose to change future allocations to 100% in the Income Option, your initial \$1,000 will remain invested in the Growth Option and only new contributions will be invested in the Income Option.

## **CONTRIBUTING TO YOUR ACCOUNT**

### **Q: How can I put money in my account?**

A: You can easily contribute money to your account online. Simply login, input your personal bank account information (i.e., your account and routing numbers), and make a deposit. You can also save your bank account information and set up recurring contributions.

### **Q: Are there limits on how much I can contribute to my STABLE Account?**

A: Yes.

- The maximum yearly contribution limit is currently \$15,000 from any person or any source.
- If you are employed, you may be able to contribute an additional \$12,140 from your income – increasing your total yearly contribution limit to \$27,140.
- The maximum lifetime limit is currently \$468,000. You will not be able to make new contributions if your overall balance is \$468,000 or above (although your account can continue to accrue earnings). Once your balance drops below the lifetime limit, you may resume making contributions.

### **Q: What happens if I accidentally contribute over the limits?**

A: Our system is designed to automatically prevent excess contributions. We will monitor your contributions and will reject any deposits that would put your account over the limits.

### **Q: Who can contribute money to my STABLE Account?**

A: Any person (including you, your friends, and your family members), business, employer, trust, corporation, or other legal entity can make contributions to your account. If necessary, you can also mail in check contributions.

### **Q: Can I ask my family and friends to make gifts into my account?**

A: Yes! We have designed a special gifting tool just for this purpose. From your online account, you can set up an eGift event. Simply input or import the email addresses of your friends and family members. We will send out an email to them with a unique link and a personalized message, instructing them on how to make a gift to your account.

### **Q: Can I contribute money with a credit card?**

A: Not at this time.

## **WITHDRAWING YOUR MONEY**

### **Q: How can I take money out of my account?**

A: If you would like to withdraw money from your STABLE Account, all you have to do is log into your online account and request a withdrawal. You will have the option of receiving funds by electronic funds transfer or by check. The electronic transfer option allows you to load funds onto your STABLE Card or into a personal bank account. Through the check option, participants can cut a check to themselves or to a third party, for paying bills or other expenses.

If you invested your money into more than one Investment Option, you will also be able to select the portfolio you want to withdraw money from.

### **Q: Are there limits on how many times I can withdraw money from my account?**

A: No!

### **Q: Do you charge fees for withdrawing money?**

A: No!

### **Q: What is the STABLE Card?**

A: The **STABLE Card** is a loadable debit card that is available to everyone with a STABLE Account. The STABLE Card does not pull money directly out of your STABLE Account. Instead, you get to choose a specific amount of money to load onto your card. This way, you can better control budgets and plan for your Qualified Disability Expenses. If you are the Authorized Legal Representative for an individual with a disability, you will be issued the primary card, but can also obtain a companion card for the beneficiary. The STABLE Card's discrete loading feature allows you to limit how much money the beneficiary can access at any given time.

Only STABLE Account funds can be loaded onto your STABLE Card, to avoid commingling STABLE money with non-STABLE money. This allows for easier reporting of your withdrawals and expenditures.

### **Q: What features are available with my STABLE Card?**

A: You can use your STABLE Card to spend money anywhere Visa is accepted. Although it is a loadable card, it works just like a regular debit card. You will be able to set up a **STABLE Card online account** to view your spending history, upload receipts, write personal notes describing your purchases, and categorize purchases as “qualified” or “non-qualified.”

## **IMPACT ON GOVERNMENT BENEFITS**

**Q: Will the money in my account affect my eligibility for means-tested federal or Georgia state/local benefits programs?**

A: No! With the exception of some special SSI rules (see below), your STABLE funds do not count against you for purposes of determining your eligibility for federal or Georgia benefits. For example, if you have \$5,000 in your STABLE Account, that \$5,000 does not count as an asset under federal or Georgia means-tested programs, such as SSI or Medicaid.

**Q: Will the money in my STABLE Account make me ineligible for Medicaid?**

A: No! The money in your STABLE Account will not affect your eligibility for Medicaid benefits. STABLE Account balances are disregarded when determining your Medicaid eligibility. For more information, please see Medicaid's recent guidance on STABLE Accounts **here**.

**Q: Will I lose my SSI eligibility if I open a STABLE Account?**

A: No, but your SSI benefits may be suspended if your STABLE Account balance is over \$100,000. Any money in your account *over* \$100,000 will be treated as a countable resource when determining your SSI benefits. The good news is that you will not lose SSI eligibility if your STABLE Account balance is too high - your benefits will merely be suspended. Once your account balance drops, you can notify SSA to have your SSI benefits resume.

Money you withdraw and use for housing expenses may also affect your SSI benefits if you do not spend the money right away. To avoid any impact to your SSI benefits, be sure to spend housing money within the same calendar month that you withdraw the money. For example, if you withdraw \$800 from your STABLE Account on June 3rd for rent, you must pay that money to your landlord by June 30th. As long as you do not hold housing funds over from one calendar month to the next, the funds will not affect your SSI benefits. For more information on how the Social Security Administration will treat STABLE Accounts, see their recent guidance **here**.

**Q: Will the money in my STABLE Account make me ineligible for SNAP (Supplemental Nutritional Assistance Program) benefits?**

A: No! The money in your STABLE Account will not affect your eligibility for SNAP benefits. STABLE Accounts are an excluded resource under SNAP **regulations**.

**Q: Will the money in my STABLE Account make me ineligible for HUD (U.S. Department of Housing and Urban Development) benefits?**

A: No! The money in your STABLE Account will not affect your eligibility for HUD benefits. STABLE Accounts are an excluded resource under HUD **regulations**.

**Q: Can an individual with a disability work and maintain a STABLE Account?**

A: Yes, as long as the individual meets the eligibility requirements for an account.

**OTHER CONSIDERATIONS**

**Q: Can I have a STABLE Account AND a Special Needs Trust or other type of Trust?**

A: Yes, you can use your STABLE Account in conjunction with other types of trusts. Please consult your financial planner or trust attorney for more information on how trusts could be helpful for you.

**Q: Can I make a tax-free transfer of funds from an existing 529 college savings account to a STABLE Account?**

A: Yes! Federal regulation for ABLE accounts now allows tax-free rollovers from 529 college savings accounts to a STABLE Account. If you would like to make one of these transfers, please contact your 529 College Savings Plan to request a withdrawal of funds. Keep in mind that 529 Rollovers count as General Contributions and therefore count against your annual \$15,000 General Contribution limit.

Once you receive the withdrawal check, please use our **529 College Savings Rollover Form** to complete the process. For questions or help, please contact customer service at 1-800-439-1653 or **team@stableaccount.com**.

**Q: What happens to the money in my account after my death? Is there a Medicaid payback?**

A: If you received Medicaid benefits during the time you had your account open, Medicaid can file a claim for some amount of repayment. This does **not** mean that Medicaid automatically has first rights to the money in your STABLE Account after your death. Your account can be used for a number of things **before** Medicaid could be repaid.

First, if you still have outstanding bills for any Qualified Disability Expenses, the money in your STABLE Account can be used to pay those expenses. Your account can also be used to pay for funeral and burial costs.

Moreover, Medicaid can only seek repayment for amounts it paid *after* you opened your STABLE Account (or, if you rolled over from another ABLE plan, after you opened that first ABLE account). You can also deduct the amount of any premiums you paid as part of a Medicaid Buy-In Program from the amount Medicaid can recoup.